IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicants	:	Paul Gulko	)	Examiner:
			)	Vanel Frenel
Serial No.	:	09/745,011	)	
			)	Art Unit:
Cnfrm. No.	:	7233	)	3626
			)	
Filed	:	December 20, 2000	)	
			)	
For	:	METHOD AND APPARATUS FOR	)	
		PERFORMING INSURANCE INSOLVENCY	)	
		OPERATIONS	)	
			)	

APPEAL BRIEF

Mail Stop Appeal Brief - Patents
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Dear Sir:

Pursuant to 37 CFR § 41.37, Appellants hereby file their appeal brief. Enclosed is the filing fee of $510.00 required by 37 CFR § 41.20(b)(2). You are hereby authorized to charge/credit Account No. 14-1138 for any deficiency/overage.

I.   REAL PARTY IN INTEREST

The real party in interest is Guaranty Fund Management, Inc. having a principle place of business at One Bowdoin Square, Boston, Massachusetts 02114-2916.

II.   RELATED APPEALS AND INTERFERENCES

A notice of appeal has been filed in US Patent Application Serial No. 09/905,772 which is a continuation-in-part of the above-identified patent application.

III.   STATUS OF CLAIMS

Claims 1-111 are currently pending and rejected in the above-referenced application and are the subject of the present appeal. No claims have been allowed.

IV.   STATUS OF AMENDMENTS

An Amendment was submitted on February 12, 2007, in response to the Final Office Action dated January 22, 2007. This Amendment added, "automatically identifying and" to independent claims 1 and 34 and "automatically identifies and" to independent claim 67, amended the preamble of claims 35-67 and 104-107 to make them consistent with independent claim 34, and traversed the finality of the Final Office Action dated January 22, 2007 (The Office asserted new grounds of rejection in this Final Office Action, when no amendment to the claims were made in Applicants' previous response to the Office Action dated February 9, 2006).

During a telephone interview with Examiner Vanel Frenel and his supervisor, Examiner Joseph Thomas, on December 13, 2006, Examiner Thomas indicated the addition of the phrases noted above to the independent claims would distinguish over the prior art of record and that the finality of the Final Office Action dated January 22, 2007, was improper.

On March 21, 2007, an Advisory Action was mailed which asserted the proposed amendments would not be entered because: (1) they raise new issues that would require further consideration; and (2) they are not deemed to place the application in better form for appeal by materially reducing or simplifying the issues for appeal. The Advisory Action also did not address the Office's basis for not withdrawing the finality of the Final Office Action dated January 22, 2007 (the Office appears to be trying to assert no new grounds of rejection were raised to avoid withdrawing the finality, but then to overcome Applicants traversal have contradicted their earlier stated position by trying to set forth new grounds of rejection).

Applicants recognize the issue of the prematureness of the Final Office Action is not a ground for appeal for this Board to consider, however as explained in greater detail below this illustrates the inconsistency and incompleteness of the Office's position throughout the extended prosecution of the above-identified patent application which still fails to set forth a prima facie case of obviousness to reject claims 1-111.

V.   SUMMARY OF CLAIMED SUBJECT MATTER

With respect to independent claims 1, 34, and 67, designating a state fund for each state associated with the insurance insolvency and a designation system in the computer system that designates a state fund for each state associated with the insurance insolvency by way of example is illustrated and disclosed at FIGS. 1-5, 7A-7E, 10A-10B, 19-21; page, 3, lines 4-14; page 9, line 2 - page 23, line 12; page 24, line 19 - page 30, line 19; page 37, line 1 to page 39, line 13; page 75, line 19 - page 76, line 6

Associating with the state fund an insurance account in the computer system and a state fund association system in the computer system associates with the state fund an insurance account by way of example is illustrated and disclosed at FIGS. 1-5, 7A-7E, 10A-10B, 19, 20 and page 2, line 19 - page 3, line 14; page 9, line 2 - page 23, line 12; page 24, line 19 - page 30; page 37, line 1 to page 39, line 13;

Associating with the insurance account at least one line of insurance and an insurance account association system in the computer system that associates with the insurance account at least one line of insurance by way of example is illustrated and disclosed at FIGS. 1-5, 7A-7E, 8A-8G, 10A-10B, 19, 20, 26 and page 3, lines 4-14, page 9, line 2 - page 23, line 12; page 24, line 19 - page 30; page 30, line 21 –page 35, line 9; page 37, line 1 to page 39, line 13; page 44, line 7 to page 45, line 21; page 62, lines 1-8; page 66, line 17 - page 67, line 7; page, 92, lines 9-22;

Identifying in the computer system at least one of a state statute, regulation and rule relating to the at least one line of insurance associated with the insurance account and an identification system that identifies in the computer system at least one of a state statute, regulation and rule relating to the at least one line of insurance associated with the insurance account by way of example is illustrated and disclosed at FIGS. 1-5, 7A-7E, 19, and page 9, line 2 - page 23, line 12; page 24, line 19 - page 30; page 37, line 1 - page 39, line 13; page 44, line 7 - page 45, line 21.

Performing at least one insolvency related service in connection with the insurance solvency based on the identified at least one of a state statute, regulation and rule and the at least one line of insurance associated with the insurance account and an insolvency processing system that performs at least one insolvency related service in connection with the insurance solvency based on the identified at least one of a state statute, regulation and rule and the at least one line of insurance associated with the insurance account by way of example is illustrated and disclosed at FIGS. 1-5, 7A-7E, 8A-8G, 9A-9C, 11, 14, 19, 26A-

26I, 27, 28 and page 9, line 2 - page 23, line 12; page 24, line 19 - page 30; page 35, line 11 - page 36, line 19; page 40, lines 19-23; page 43, line 14 – page 45, line 21; page 57, lines 10 - page 96; page 97,lines 7-13.

Dependent claims 100, 104, and 108, by way of example and in addition to the recitations noted above with respect to independent claims 1, 34, and 67, is illustrated and disclosed at FIGS. 1-5, 7A-7E, and page 9, line 2 - page 23; page 24, line 19 to page 30, line 19.

Dependent claims 101, 105, and 109, by way of example and in addition to the recitations noted above with respect to independent claims 1, 34, and 67, is illustrated and disclosed at FIGS. 1-5, 7A-7E, 8A-8G, 9A-9C, 11, 19, 27, 28 and page 9, line 2 - page 23, line 12; page 24, line 19 - page 30; page 35, line 11 - page 36, line 19; page 40, lines 19-23; page 43, line 14 – page 45, line 21; page 57, lines 10 - page 96.

Dependent claims 102, 106, and 110, by way of example and in addition to the recitations noted above with respect to independent claims 1, 34, and 67, is illustrated and disclosed at FIGS. 1-5, 8A-8G, 14, 19, 26A-26I and page 9, line 2 - page 23, line 12, page 30, line 21 - page 35, line 9; page 41, lines 3-15; page 43, line 14 - page 95, line 19.

Dependent claims 103, 107, and 111, by way of example and in addition to the recitations noted above with respect to independent claims 1, 34, and 67, is illustrated and disclosed at FIGS. 1-5, 8A-8G, and page 9, line 2 - page 23, line 12; page 30, line 21 - page 35, line 9; page 60, line 13 - page 61, line 4; page 86, lines 16-24; page 97,lines 7-13.

VI.   GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL

A.   Whether claims 1-111 were improperly rejected by the U.S. Patent and Trademark Office ("Office") under 35 U.S.C. 103(a) as being unpatentable over US Patent No. 5,704,045 to King et al (King), US Patent No. 6,119,093 to Walker et al (Walker), US Patent No. 6,604,080 to Kern (Kern) in view of US Patent Application Publication No. 2002/0035488 to Aquila et al (Aquila).

B.   Whether claims 100-111 were improperly rejected by the Office under 35 U.S.C. 103(a) as being unpatentable over King, Walker, Kern in view of Aquila.

VII.   ARGUMENT

A.   The Office Has Failed To Set Forth A Prima Facie Case Of Obviousness To Reject Claims 1-111 Under 35 U.S.C. 103(A) As Being Unpatentable Over King, Walker, Kern In View Of Aquila

King, Walker, Kern, and Aquila, alone or in combination, do not disclose or suggest, "designating a state fund for each state associated with said insurance insolvency . . . associating with said state fund an insurance account in the computer system . . . performing at least one insolvency related service in connection with said insurance solvency based on the identified at least one of a state statute, regulation and rule and the at least one line of insurance associated with the insurance account" as recited in claim 1, "designating a state fund for each state associated with said insurance insolvency . . . associating with said state fund an insurance account of a first type . . . performing at least one insolvency related service in connection with said insurance solvency based on the identified at least one of a state statute, regulation and rule and the at least one line of insurance associated with the insurance account" as recited in claim 34, or "a designation system in the computer system that designates a state fund for each state associated with the insurance insolvency . . . a state fund association system in the computer system associates with the state fund an insurance account . . . an insolvency processing system that performs at least one insolvency related service in connection with said insurance solvency based on the identified at least one of a state statute, regulation and rule and the at least one line of insurance associated with the insurance account" as recited in claim 67.

The Office has asserted an incomplete and contradictory basis for rejecting claims 1-111 in the Final Office Action dated January 22, 2007 and the previous Office Action dated February 2, 2006. Accordingly, Applicants have set forth and addressed below the rejections by the Office in each of these Office Actions below.

In the Office Action dated February 2, 2006, the Office rejected claims 1-111 under 35 U.S.C. 103(a) as being unpatentable over King, Walker, Kern in view of Aquila and asserted with respect to independent claim 1 (the Office provided a corresponding basis for rejecting independent claims 34 and 67):

"King discloses a method executed in a computer system for managing monies and information in connection with an insurance insolvency (See King, Col.5, lines 47-67) comprising:

designating a state fund for each state associated with said insurance insolvency (See King, Col.9, lines 9-26);

associating with said state fund an insurance account in the computer system (See King, Col.22, lines 45-62).

King, Walker Kern not explicitly disclose that method having associating with said insurance account least one line insurance identifying in the computer system least one of a state statute, regulation and rule relating to the at least one line insurance associated with the insurance account; and performing at least one insolvency related service in connection with said insurance solvency based on the identified least one a state statute, regulation ands le ands the least one line of insurance associated w the insurance account.

However these features are known in the art, as evidenced by Aquila. In particular, Aquila suggests the method having associating with said insurance account least one line insurance identifying in the computer system at least one of a state statute, regulation and rule relating the least one line of insurance associated with the insurance account; and performing at least one insolvency related service in connection with said insurance solvency based on the identified at least one of a state statute, regulation and rule and the at least one line of insurance associated with the insurance account (See Aquila, Page 17, Paragraphs 0304-0308; Page 19, Paragraphs 0330-341).

It would have been obvious to one of ordinary skill in the art at the time of the invention to have included the features of Aquila within the collective teachings of King, Walker and Kern with the motivation of auditing sub-system which applies insurance carrier specific business rules, government regulations, and comprehensive trending analysis to detect and rectify any inconsistencies and irregular processing of claims, by auditing internal processes or user or service providers submitted data (See Aquila, Page 2, Paragraph 0023)." (Emphasis added).

Accordingly, as indicated by the underlined portions the Office has acknowledged, King, Walker, and Kern, do not disclose, *inter alia*, performing at least one insolvency related service in connection with said insurance solvency based on the identified least one a state statute, regulation and the at least one line of insurance associated with the insurance account.

Contrary to the Office's assertions, nowhere in Aquila is there even any mention of handling an insurance insolvency, let alone performing at least one insolvency related service in connection with said insurance solvency based on the identified at least one of a state statute, regulation and rule and the at least one line of insurance associated with the insurance account. As noted above, the Office cited to page 17, paragraphs 0304-0308 in Aquila for support of its position which states:

[0304] The Automated Payment System 250 (APS) automates the process of fulfilling payment requests made under insurance claims. APS 250 receives invoices (payment requests) from vendors, automatically approves payments according to the insurance carrier business rules, disburses payments to vendors via a trustee bank 2603 using ACH (Automated Clearing House) methods, where possible, tracks the transaction, and provides reconciliation and accounting details to the Insurance Carrier systems. For automobile line of insurance, examples of vendors who provide invoices and receive payment are Repair Facilities, Independent Appraisers, Rental Agencies, Towing Facilities, Salvage Companies, Storage Facilities, and Parts Suppliers, Auto Glass Suppliers, and even policy holders or claimants who have incurred pre-paid costs covered under the insurance policy. For the movement of funds, the insurance carrier's bank 2601 will fund the trustee bank's 2603 escrow account; and the trustee bank 2603 will pay the payee 2605 or fund the vendor's (payee) bank.

[0305] The APS 250 receives an invoice or estimate directly from the vendor in electronic form, automatically approves payments based on the carrier's payment rules, aggregate payments for vendors, automatically disburses payments via the claims payment clearing house in the form of the trustee bank 2603, and automatically reconciles the loss and the payment to the carrier's internal systems.

[0306] The APS 250 will also support customer service for carrier and vendor queries.

[0307] b. Process

[0308] FIG. 27 is a flow diagram of a process of automating claim payments from the prospective of an automated processing system. First, the APS 250 receives 2701 an electronic payment request based on a fee estimate or an invoice for work already completed. In one embodiment, the electronic payment request contains: (1) information about the insurance claim the request is being made under, (2) the requestor's profile information (e.g., name, address, phone number, email address, payment preference (e.g., ACH, wire transfer, check), ACH data, if any.), and (3) information about the request being made including work done, or to be done, amounts requested for tasks completed or on amounts requested based on estimated cost for tasks to be completed. (Emphasis added).

Accordingly, as illustrated by the underlined portions, Aquila is merely disclosing an automated payment system for fulfilling payment requests made under solvent insurance claims for repair work that has been performed. There is no discussion or suggestion of any insurance insolvency in this section of Aquila, let alone any discussion or suggestion of performing at least one insolvency related service in connection with said insurance solvency based on the identified least one a state statute, regulation and the at least one line of

insurance associated with the insurance account. The issues faced and processes for handling an insurance insolvency are completely different from those related to the processing and fulfillment of repair claims.

Additionally, the Office cited to page 19, paragraphs 0333-0341 in Aquila for support of its position which states:

> [0333] In one embodiment, an individual payment is sent to a payee 2605 for each payment request made and validated. In an alternate embodiment, payments to payees 2605s with multiple payment requests that are validated are aggregated into a single payment. In one embodiment, multiple payments from a single insurance carrier to a single payee 2605 are aggregated into a single payment. In an alternate embodiment, payments to the same payee 2605 are aggregated across all carriers participating in the clearing house. Individual payee 2605s are uniquely identified by a payee 2605 code. In yet another embodiment, the APS 250 aggregates payments at both levels: multiple payments from a single carrier to a single payee 2605, and payments from several carriers to a single payee 2605 are aggregated into one payment.

> [0334] ix. Payee/Payor Inquiry to Clearing House

> [0335] In one embodiment, the trustee bank will provide customer service via the telephone. Payees 2605 or payors who have questions regarding lost, destroyed checks can contact a 1 800 number for customer service. Additionally, customers who have question regarding ACH payments can contact the customer service number as well. The clearinghouse will only answer questions regarding payments it has executed based on the APS 250 instructions. Any questions regarding claims, invoice amounts, etc will be directed to the APS 250 system or the specific Insurance Carrier (Payor).

> [0336] x. Reconciliation

> [0337] In one embodiment, APS 250 tracks payments by insurance carrier, claim number, payee 2605 and amount. For aggregated payments, sufficient individualized information is provided the payee 2605 such that the aggregate payments can be decomposed into claim-level or job-specific detail. In another embodiment, after an aggregate payment has been made and APS 250 transmits notification of the payment to the payee 2605, APS 250 provides the payee 2605 with sufficient information to access, view and retrieve payment data stored on the eclaim database 280 to allow the payee to decompose the aggregate payment.

> [0338] APS 250 provides information to the insurance carrier system 65 to allow the claim and accounting information systems of the insurance system 65 to ensure the payments balance, close the claim, and update the

insurance carrier database. In an alternate embodiment, the insurance carrier system 65 is provided access to and retrieval information to retrieve payment information from the eclaim database 180.

[0339] 9. The Customer Satisfaction Index Collection Sub-system (CSI Sub-system)

[0340] a. General

[0341] CSI sub-system 260 generates questionnaires to gather customer satisfaction data from customers (e.g., policy holders or consumers), gathers the customer satisfaction data, and then use the data gathered to generate a customer satisfaction index (CSI) score for each survey and an aggregate CSI score from the individual CSI scores for each commercial participant (e.g., service providers, insurance carrier staff who have handled a policy holder claim, the insurance carrier.) which can be stored and later utilized in ranking the commercial participant. In one embodiment, data of user satisfaction of processes, sub-systems and systems described above is also gathered. The survey data gathered from policy holders and consumers are stored in the eclaim database 280, while the calculated aggregate CSI is stored into the directory database 290 in association with the party whose work is being scored. In one embodiment, incentives such as discounts on repairs are provided to customers to retrieve satisfaction data from them. (Emphasis added).

Accordingly, as illustrated by the underlined portions, Aquila is merely disclosing how to handle payment requests, track payments by a solvent insurance carrier, and how to gather customer satisfaction data. Again, there is no discussion or suggestion of any insurance insolvency in this section of Aquila, let alone any discussion or suggestion of performing at least one insolvency related service in connection with the insurance solvency based on the identified least one a state statute, regulation and the at least one line of insurance associated with the insurance account.

Further, the Office has cited to page 2, paragraph 0023 in Aquila for support of its position which states:

The audit sub-system applies insurance carrier specific business rules, government regulations, and comprehensive trending analysis to detect and rectify any inconsistencies and irregular processing of claims, by auditing internal processes or user or service providers submitted data. (Emphasis added).

Accordingly, as illustrated by the underlined portion, Aquila simply discloses an audit sub-system to detect and rectify any inconsistencies and irregular in processing of claims. The audit sub-system is described in greater detail on page 6, paragraph 0115, which states:

> [0115] The audit sub-system 240 applies insurance carrier specific business rules, government regulations, and comprehensive trending analysis to detect and rectify any inconsistencies and irregular processing of claims, by auditing internal processes or user or service providers submitted data. The audit sub-system 240 can review 427 an estimate made and determine if it is unreasonable or if there is a potential for fraud. If the estimate is approved 433, the assignee is notified and service 435 of the assignment begins. If the audit sub-system 240 determines that the estimate is unreasonable, the audit sub-system 240 notifies an insurance carrier adjuster to review to the estimate.

As illustrated by this section and the underlined portions, the audit sub-system in Aquila is simply designed to detect frauds in estimates for submitted insurance claims. Again, there simply is no discussion or mention of any insolvency related service in Aquila.

In sharp contrast, the present invention is directed to an insurance insolvency and helps to simplify and ensure that insolvency related services are performed in accordance with state statutes, rules, and/or regulations.

Additionally and contrary to the Office's assertions, King does not disclose a method executed in a computer system for managing monies and information in connection with an insurance insolvency, designating a state fund for each state associated with said insurance insolvency, or associating with said state fund an insurance account in the computer system. In fact, the only reference to anything related to insolvency is in the dependent claims of King as one of the risks this risk diversification system protects against. There is nothing in King on how to handle anything in an insurance insolvency. Further, King makes absolutely no mention of any state fund, let alone of designating a state fund for each state associated with an insurance account or associating such a state fund with an insurance account.

With respect to the preamble of claim 1 regarding a method executed in a computer system for managing monies and information in connection with an insurance insolvency, the Office cited to col. 5, lines 47-67 in King to support its position which states:

> The present method and system permits parties to transfer any type

of financial risk exposure to the risk acceptance subsystem of an entity which has adopted the system, then to provide absolute assurance of timely payment through dedicated transactional capital and premium of the risk diversification subsystem matched to the risk accepted. In the preferred embodiment, an insurance company is the entity which adopts the system, although other enterprises could also utilize the invention.

Under the structure, profits and losses flow through the insurer-entity's risk diversification subsystem, which is designed to diversify risk through several methods hereafter described, which involve the participation of several classes of investors, participating in specific risks. The reserve management subsystem relies on data processing and reporting functions which maintain the risk diversification subsystem at an amount in excess of the risk acceptance subsystem, as well as balancing the values of these subsystems with monetary assets held by fiduciary custodians.

The assets, liabilities and capital of these two subsystems are maintained preferably under a separately established and statutorily protected category of assets, liabilities and capital, referred to as Reserved Assets. The balance of the entity's or insurer-entity's assets, liabilities and capital are classed as General Assets." (Emphasis added).

However, as illustrated by the underlined portions above, King is only disclosing a risk diversification system among different classes of participating investors. In this citation or elsewhere, King has nothing to do with methods for handling anything in an insurance insolvency.

With respect to the limitation regarding designating a state fund for each state associated with the insurance solvency, the Office cited to col. 9, lines 9-26 in King to support its position which states:

The method and system of the present invention is not limited to acceptance of risks common to many people nor does it impose the rigid contract limitations of an exchange-based structure. Risks accepted by the insurer-entity could include credit and liquidity risks on corporate and municipal government debt and lease obligations which are unrated or non-investment grade, thereby substantially increasing their liquidity and market value. The insurer-entity is also capable of indemnifying insureds for loss on a change in value of marketable shares, agricultural products, precious metals, petroleum, fluctuations in interest or currency rates, or residual value. It could issue ICC #458 demand guarantees, similar to a letter of credit issued by a bank, or other performance or surety risk contracts; or accept any type of traditional insurance risk, as well as unique or difficult to place risks, such as catastrophe, excess or aggregate exposures, liability or contract risks, or unfunded potential exposures (pollution liability, etc.). (Emphasis added)

However, as illustrated by the underlined portions, this section in King simply discloses that the insurer can accept a variety of different types of risks as part of a risk diversification system. Again, here or elsewhere in King there is no mention of any state funds, let alone of designating a state fund for each state associated with an insurance account, or how to handle anything in an insurance insolvency.

With respect to the limitation regarding associating with the state fund an insurance account in the computer system, the Office has cited to col. 22, lines 45-62 in King in support of its position which states:

> Another function of the subsystem is to assist in asset quality surveillance and report degradation of assets within the insurer-entity's portfolio. <u>The surveillance function will focus on investment portfolio mix to monitor diversification of AAA government issuers, debt obligation types, and to assure that at all times, the insurer-entity's investment portfolio is capable of supporting the payment of a total loss on the aggregate to the insurer-entity's policy obligations</u>, matched to currency and maturity.
>
> Finally, <u>one of its primary reporting functions is to not only report, but assure compliance with the insurer-entity's sophisticated capital matching system</u>. Any changes in assets within the Reserved Assets portfolio must be subject of various certifications and procedures which permit the reserve management subsystem to continuously report that all obligations of the insurer entity, present and in the future, are capable of being fully and completely satisfied from Reserved Assets. (Emphasis added).

However, as illustrated by the underlined portions, this section in King only discloses that the subsystem monitors and reports on whether the insurer-entity's investment portfolio is capable of supporting the payment of a total loss on the aggregate to the insurer-entity's policy obligations. Additionally, this section in King discloses that the subsystem monitors whether the portfolio is complying with the system's capital matching system. A capital matching system is an exchange system where buyers and sellers are transferring or accepting risks and is not related to an insurance insolvency as discussed in column 3, lines 21-24, in King and set forth below:

> [A] capital matching system such as an exchange, accepts risk by matching buyers and sellers, i.e., parties transfer risk to those accepting it, in effect matching risk to capital. Under this system parties transfer or accept risks which are easily quantified in comparatively small units, such as through futures and options contracts. It limits the types and conditions under which parties may transfer to specifically defined contractual units, priced by the marketplace, being a price agreed between those parties

wishing to transfer risk and those willing to accept it.

Not only do the sections cited by the Office above not teach or suggest these limitations, but again there is simply no mention or suggestion of any state funds, let alone any steps relating to state funds, or on how to handle anything in an insurance insolvency here or elsewhere in King.

In contrast, as discussed on pages 2 and 3 of the above-identified patent application, the present invention is used for managing monies and paying covered claims as defined in connection with an insurance insolvency when one or more state funds are involved for the purpose of paying covered claims and the insolvent company is associated with one or more of these state funds.

With respect to Walker, the Office has not asserted any basis in the Office Action dated February 9, 2006, for supporting a rejecting independent claims 1, 34, or 67. Walker is directed to a system where ad hoc insurance syndicates can be created, providing many small investors with an opportunity to collect insurance premiums or portions of insurance premiums in exchange for an affordable assumption of risk. Nowhere in Walker is there any mention or suggestion on how to handle an insurance insolvency process or any mention or suggestion of state funds, let alone designating a state fund for designating a state fund for each state associated with said insurance insolvency, associating with said state fund an insurance account in the computer system, or performing at least one insolvency related service in connection with said insurance solvency based on the identified at least one of a state statute, regulation and rule and the at least one line of insurance associated with the insurance account.

With respect to Kern, the Office also has not asserted any basis in the Office Action dated February 9, 2006, for supporting a rejecting independent claims 1, 34, or 67. As set forth in col. 1, lines 19-22, Kern provides a coordinated separation of workers' compensation benefits and employers liability insurance from their previously combined form known as a standard workers' compensation policy. According to Kern at col. 16, lines 64-67, previously a standard workers' compensation policy was a unitary policy covering workers' compensation and employers liability which was sold by one company charging based on one insurance premium for both coverages. Kern asserts at col. 17, lines 3-10, that it unbundles the standard workers compensation policy into at least two separate, coordinated

policies: one policy to insure the workers' compensation obligation; and a second policy to insure against the employers liability exposure. As set forth in the abstract and claims, Kern provides a system and method to compute rates for the workers' compensation benefit coverage and a separate premium for the employers liability coverage.

Nowhere in Kern is there any mention or suggestion with respect to methods or systems for managing monies and information in connection with an insurance insolvency including designating a state fund for each state associated with the insurance insolvency, associating with the designated state fund an insurance account in the computer system, and performing at least one insolvency related service in connection with the insurance solvency based on the identified at least one of a state statute, regulation and rule and the at least one line of insurance associated with the insurance account. The only mention of insurance insolvency in Kern is in four brief passages at: col. 8, lines 47-54; col. 11, line 66 and col. 12, lines 3-4; col. 12, lines 30-31 and 50-53; and col. 20, lines 6-11. These brief passages merely acknowledge:

> states have laws which provide that an admitted insurance company is backed by a state's Guaranty Association which will pay in the event of an insolvency;

> group self-insurance and individual self insured programs are generally not protected in the event of insolvency by state guaranty funds; and

> in ERISA plans it is difficult to legally determine if guaranty funds would have to legally be obligated to pay in the event of insolvency of participating insurance carriers.

Accordingly, this disclosure provides nothing more than basic and generic background information and does not teach or suggest any of the claimed methods, computer readable mediums, and systems.

In the Final Office Action dated January 22, 2007, the Office asserted claims 1-111 were rejected under 35 U.S.C. 103(a) as being unpatentable over King, Walker, Kern in view of Aquila, "for substantially the same reasons given in the previous Office Action, and incorporated herein. Further reasons are presented hereinbelow." (Emphasis added). The only other asserted reason provided by the Office in the Final Office Action dated January 22, 2007, was, "Examiner respectfully submitted that He had relied upon the clear and unmistakable teaching of Kern Col.8, lines 47-67 to Col.9, line 30." (Emphasis Added).

Accordingly, Applicants position with respect to the Office's "substantially the same reasons given in the previous Office Action" are set forth above. It appears the Office is now relying on Kern for the teachings in col.8, lines 47 to col.9, line 30 which is set forth below:

> Because a standard workers' compensation carrier is a property and casualty insurance company, most states have enacted laws which provide that an admitted property and casualty insurance company is backed by a state's Guaranty Association. A Guaranty Association, in the event of insolvency of the issuing insurance company, will pay the injured worker his or her workers' compensation, medical, disability or other payments.
>
> iii. Workers' Compensation Assigned Risk Plans Under a Standard Workers' Compensation Policy
>
> Workers' compensation was the first compulsory insurance program adopted in the United States to be underwritten primarily by private insurers. But considerable agitation for state funds to provide the insurance accompanied the rising importance of workers' compensation. Advocates of state funds argued that they were needed to ensure insurer solvency and fair pricing.
>
> Several states established such funds, but the coverage continued to be written by private insurers. As some private insurers began to evaluate the risks over time, based on loss history data, companies began to reject workers' compensation coverage for certain employers. When these employers were unable to obtain workers' compensation coverage, they lobbied their state legislatures, maintaining that because their particular industry was vital to that state, the state should require those insurance companies to write workers' compensation coverage or provide a method for them to get workers' compensation coverage.
>
> In 1929, Minnesota adopted what appears to be the first statute requiring the insurance companies to provide coverage for applicants they did not want to insure. It required the workers' compensation rating bureau of Minnesota to assign a member company to provide coverage for any employer that had been refused coverage by three bureau members. It provided in part: "When any such rejected risk is called to its attention and it appears that said risks is in good faith entitled to coverage, said bureau shall fix the initial premium therefor, and upon its payment, such bureau shall designate a member whose duty it shall be to issue a policy containing the usual and customary provisions found in such policies therefor but for such undertaking all members of such bureau shall be reinsurers as among themselves in the amount which the compensation insurance written in this state during the preceding calendar year by such member bears to the total compensation insurance written in this state during the preceding calendar year by such member bears to the total compensation insurance written in this state during the preceding year by all the members of the said bureau."

As discussed earlier, with respect to the first paragraph at col. 8, lines 47-54 in Kern, this passage merely provides generic background that states have laws which provide that an admitted insurance company is backed by a state's Guaranty Association which will pay in the event of an insolvency and provides no teaching or suggestion with respect to the claimed methods, computer readable mediums, and systems. With respect to the remainder of this passage at col. 8, line 55 to col. 9, line 30 in Kern, this passage has nothing to do with insurance insolvency processes. Instead, this passage simply asserts that a state has adopted a statute requiring insurance companies to provide coverage for applicants they did not want to insure.

Accordingly, as set forth above the Office has failed to identify all the relevant teachings of the prior art relied upon, the proposed modification of the applied references necessary to arrive at the claimed subject matter, and an explanation why one of ordinary skill in the art at the time the invention was made would have been motivated to make the proposed modification. Additionally, as explained above, the prior art references cited by the Office do not teach or suggest all of the claim limitations and there is no suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. As a result, the Office has failed to set forth a prima facie case of obviousness to reject claims 1-111 under 35 U.S.C. 103(A) as being unpatentable over King, Walker, Kern in view of Aquila.

Therefore, in view of the foregoing amendments and remarks, the Board is respectfully requested to reconsider and withdraw the rejection of claims 1, 34, and 67. Since claims 2-33 and 100-103 depend from and contain the limitations of claim 1, claims 35-66 and 104-107 depend from and contain the limitations of claim 34, and claims 68-99 and 108-111 depend from and contain the limitations of claim 67, they are distinguishable over the cited references and are patentable in the same manner as claims 1, 34, and 67.

B. **The Office Has Failed To Set Forth A Prima Facie Case Of Obviousness To Support The Rejection Of Claims 100-111 Under 35 U.S.C. 103(A) As Being Unpatentable Over King, Walker, Kern In View Of Aquila**

King, Walker, Kern, and Aquila, alone or in combination, do not disclose or suggest, "wherein the performing at least one insolvency related service in connection with said insurance solvency further comprises: entering one or more claims from said insurance

solvency into the computer system; and processing the entered one or more claims from said insurance insolvency based on the identified at least one of a state statute, regulation and rule and the insurance account and the at least one line of insurance associated with each of the one or more entered claims" as recited in claims 100 and 104, "wherein the performing at least one insolvency related service in connection with said insurance solvency further comprises: determining if an assessment is needed based on a size of said insurance solvency, at least an amount in the designated state fund, and the identified at least one of a state statute, regulation and rule; and performing an assessment based on the determination of the need of the assessment" as recited in claims 101 and 105, "wherein the performing at least one insolvency related service in connection with said insurance solvency further comprises issuing a refund for each policy in the at least one line of insurance based on a calculation of an unearned premium and the identified at least one of a state statute, regulation and rule" as recited in claims 102 and 106, "wherein the performing at least one insolvency related service in connection with said insurance solvency further comprises processing one or more additional claims in the at least one line of insurance for a first period of time after said insurance solvency based on the identified at least one of a state statute, regulation and rule" as recited in claims 103 and 107, "wherein the insolvency processing system performs at least one insolvency related service in connection with said insurance solvency further comprises an input processing interface that enters one or more claims from said insurance solvency into the computer system and processes the entered one or more claims from said insurance insolvency based on the identified at least one of a state statute, regulation and rule and the insurance account and the at least one line of insurance associated with each of the one or more entered claims" as recited in claim 108, "wherein the insolvency processing system performs at least one insolvency related service in connection with said insurance solvency further comprises an assessment processing system that determines if an assessment is needed based on a size of said insurance solvency, at least an amount in the designated state fund, and the identified at least one of a state statute, regulation and rule and performs an assessment based on the determination of the need of the assessment" as recited in claim 109, "wherein the insolvency processing system performs at least one insolvency related service in connection with said insurance solvency further comprises an unearned premium processing system that issues a refund for each policy in the at least one line of insurance based on a calculation of an unearned premium and the identified at least one of a state statute, regulation and rule" as recited in claim 110, and "wherein the insolvency processing system

performs at least one insolvency related service in connection with said insurance solvency further comprises a claims processing system that process one or more additional claims in the at least one line of insurance for a first period of time after said insurance solvency based on the identified at least one of a state statute, regulation and rule."

As discussed earlier, the Office has acknowledged, King, Walker, and Kern, do not disclose performing an insolvency related service in connection with an insurance solvency. Additionally, as discussed in much greater detail above in the traversal of the rejection of independent claims 1, 34, and 67 nowhere in Aquila is there even any mention of handling an insurance insolvency, let alone performing any type of insolvency related service in connection with the insurance solvency, such as those set forth in claims 100-111. Aquila merely discloses the processing and fulfillment of repair claims. In sharp contrast, the present invention is directed to an insurance insolvency and helps to simplify and ensure that insolvency related services are performed in accordance with state statutes, rules, and/or regulations.

Therefore, in view of the foregoing amendments and remarks, the Board is respectfully requested to reconsider and withdraw the rejection of claims 100-111.

VIII.   CLAIMS APPENDIX

A clean copy of the claims 1-111 involved in the appeal is included in the Claims Appendix.

IX.   EVIDENCE APPENDIX

A copy of the evidence relied upon by the appellant is included in the Evidence Appendix and is herein referenced. A list of evidence and where each was entered in the record is included in the Index to the Appendices.

X.   RELATED PROCEEDINGS APPENDIX

There are no decisions rendered by a court or the Board on related appeals or interferences.

XI.   CONCLUSION

For at least the foregoing reasons, the final rejection of appealed claims 1-111 set forth in the Final Office Action mailed January 22, 2007, should be reversed.

Respectfully submitted,

Date: <u>December 18, 2007</u>

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CLAIMS APPENDIX
CLEAN COPY OF CLAIMS ON APPEAL

1. A method executed in a computer system for managing monies and information in connection with an insurance insolvency comprising:

designating a state fund for each state associated with said insurance insolvency;

associating with said state fund an insurance account in the computer system;

associating with said insurance account at least one line of insurance;

identifying in the computer system at least one of a state statute, regulation and rule relating to the at least one line of insurance associated with the insurance account; and

performing at least one insolvency related service in connection with said insurance solvency based on the identified at least one of a state statute, regulation and rule and the at least one line of insurance associated with the insurance account.

2. The method of Claim 1, further comprising:

associating at least one industry standard code with said insurance account and said at least one line of insurance in the computer system.

3. The method of Claim 2, wherein said insurance account is associated with a plurality of lines of insurance.

4. The method of Claim 3, wherein said insurance account is associated with at least two lines of insurance each being of type commercial automobile, worker's compensation, homeowner's and fire.

5. The method of Claim 2, wherein said insurance account is associated with one line of insurance being of type commercial automobile, worker's compensation, homeowner's and fire.

6.   The method of Claim 2, further comprising:

associating a group with a first of said each states having a corresponding state fund; and

associating at least one member with said group.

7.   The method of Claim 6, further comprising:

storing information in the computer system representing a relationship between said state fund and said associated insurance account and said at least one line of insurance.

8.   The method of Claim 7, further comprising:

representing a merger of at least two members by combining portions of said information stored in the computer system.

9.   The method of Claim 8, further comprising:

modifying a relationship between said at least two members represented in the computer system.

10.   The method of Claim 7, further comprising:

representing a split of one member into at least two entities using portions of said information stored in the computer system.

11.   The method of Claim 10, further comprising:

modifying a relationship represented in said computer system of said one member corresponding to said split into said at least two entities.

12.   The method of Claim 1, further comprising:

determining an insurance account from which a payment is made in the computer system.

13.   The method of Claim 12, wherein said payment is made in connection with at least one of: a claim and an unearned premium.

14.   The method of Claim 13, further comprising:

tracking payments; and

displaying an accounting of said payments with respect to a

predetermined estimated amount of payments.

15. The method of Claim 14, further comprising:
tracking total payments made prior to said insolvency.

16. The method of Claim 15, further comprising:
tracking monies in connection with a recovery amount.

17. The method of Claim 16, wherein said recovery amount comprises at least one of: a salvage amount, a subrogation recovery, a second injury amount, a cost of living adjustment, and net worth.

18. The method of Claim 1, further comprising:
creating a diary entry in the computer system including information about one of: a claim and unearned premium; and
sending said diary entry to at least one user.

19. The method of Claim 18, wherein said sending said diary entry is performed automatically in response to an occurrence of a predefined event.

20. The method of Claim 19, wherein said predefined event is one of:
deleting a pending payment, closing one of a claim and an unearned premium, upon rejection of a closing one of a claim and unearned premium, modifying a line of insurance, deleting a line of insurance, sending a note to a reviewer, adjusting a reserve, adding a new taxpayer, and modifying an existing taxpayer.

21. The method of Claim 19, wherein the method further comprises:
creating an account for a user specifying a predetermined limit;
specifying, by said user, a reserve amount above said predetermined limit; and
sending said diary entry to a manager for approval in response to said user specifying said reserve amount.

22. The method of Claim 18, wherein said sending said diary entry is performed in response to a first user creating said diary entry, and the method further comprises:

said first user selecting at least one other user to which said diary entry is sent.

23.   The method of Claim 1, further comprising:

associating in the computer system at least one note with an insurance claim;

associating in the computer system a blocked status with said insurance claim; and

generating in the computer system, in response to setting said blocked status, a note to at least one user indicating why said insurance claim has a blocked status.

24.   The method of Claim 23, further comprising:

automatically notifying a first user when a second user attempts to perform a predetermined operation on said insurance claim having said blocked status.

25.   The method of Claim 1, further comprising:

performing a transaction in connection with one of an insurance claim and an unearned premium; and

determining in the computer system a corresponding insurance account in accordance with information about said one of said insurance claims and said unearned premium, said information including a relationship to a state and at least one line of insurance associated with said corresponding insurance account; and

adjusting in the computer system an amount associated with said corresponding insurance account in accordance with said transaction.

26.   The method of Claim 25, further comprising:

generating a data file including information about at least one of an unearned premium and a claim, said data file being used as an input file into an accounting system.

27.   The method of Claim 26, further comprising:

generating general ledger entries, said general ledger entries being included in said data file.

28.   The method of Claim 25, further comprising:

associating information about an insurance claim with said corresponding insurance account;

entering a note associated with an insurance claims, said note including descriptive information about said claim entered by a claim handler; and

providing for said note to be available for reading by another user.

29.   The method of Claim 25, further comprising:

recording information about an error in a log file included in a client system.

30.   The method of Claim 29, further comprising:

auditing said transaction by recording audit information about said transaction.

31.   The method of Claim 30, wherein said audit information comprises at least one of: date and time information, transaction type, data values prior to modification by said transaction, and user performing said transaction.

32.   The method of Claim 1, further comprising:

generating in the computer system an incomplete status of a record including information about a claim, obtaining additional information about said claim;

modifying in the computer system said record to include said additional information; and

converting in the computer system said incomplete status associated with said record to a claim status.

33.   The method of Claim 1, further comprising:

assigning in the computer system at least one role to a first user have a first set of security permissions and access limits; and

determining in the computer system, using said first set of security permissions and access limits, whether to allow a user to perform an operation in connection with said insurance account.

34.   A computer readable medium having stored thereon instructions for

managing monies and information in connection with an insurance insolvency which
when executed by a processor, cause the processor to perform the steps comprising:

designating a state fund for each state associated with said insurance
insolvency;

associating with said state fund an insurance account of a first type;

associating with said insurance account at least one line of
insurance;

identifying in the computer system at least one of a state statute,
regulation and rule relating to the at least one line of insurance associated with the
insurance account; and

performing at least one insolvency related service in connection
with said insurance solvency based on the identified at least one of a state statute,
regulation and rule and the at least one line of insurance associated with the insurance
account.

35.   The computer program product of Claim 34, further comprising:
associating at least one industry standard code with said insurance
account and said at least one line of insurance.

36.   The computer program product of Claim 35, wherein said insurance
account is associated with a plurality of lines of insurance.

37.   The computer program product of Claim 36, wherein said insurance
account is associated with at least two lines of insurance each being of type commercial
automobile, worker's compensation, homeowner's and fire.

38.   The computer program product of Claim 36, wherein said insurance
account is associated with one line of insurance being of type commercial automobile,
worker's compensation, homeowner's, and fire.

39.   The computer program product of Claim 35, further comprising:
associating a group with a first of said each states having a
corresponding state fund; and

associating at least one member with said group.

40.   The computer program product of Claim 39, further comprising:

storing information in a computer system representing a relationship between said state fund and said associated insurance account and said at least one line of insurance.

41.   The computer program product of Claim 40, further comprising:

representing a merger of at least two members by combining portions of said information stored in the computer system.

42.   The computer program product of Claim 41, further comprising:

modifying a relationship between said at least two members represented in the computer system.

43.   The computer program product of Claim 40, further comprising:

representing a split of one member into at least two entities using portions of said information stored in the computer system.

44.   The computer program product of Claim 43, further comprising:

modifying a relationship represented in said computer system of said one member corresponding to said split into said at least two entities.

45.   The computer program product of Claim 34, further comprising:

determining an insurance account from which a payment is made.

46.   The computer program product of Claim 45, wherein said payment is made in connection with at least one of: a claim and an unearned premium.

47.   The computer program product of Claim 46, further comprising:

tracking payments; and

displaying an accounting of said payments with respect to a predetermined estimated amount of payments.

48.   The computer program product of Claim 47, further comprising:

tracking total payments made prior to said insolvency.

49. The computer program product of Claim 48, further comprising:
tracking monies in connection with recovery amounts.

50. The computer program product of Claim 49, wherein said recovery amounts comprises at least one of: a salvage amount, a subrogation recovery, a second injury amount, a cost of living adjustment, and a net worth.

51. The computer program product of Claim 34, further comprising:
creating a diary entry including information about one of: a claim and unearned premium; and
sending said diary entry to at least one user.

52. The computer program of Claim 50, wherein said machine executable code for sending said diary entry is executed automatically in response to an occurrence of a predefined event.

53. The computer program product of Claim 52, further comprising detecting said predefined event, wherein said predefined event is one of: deleting a pending payment, closing one of a claim and an unearned premium, upon rejection of a closing one of a claim and unearned premium, modifying a line of insurance, deleting a line of insurance, sending a note to a reviewer, adjusting a reserve, adding a new taxpayer, and modifying an existing taxpayer.

54. The computer program product of Claim 52, wherein the computer program product further comprises:
creating an account for a user specifying a predetermined limit;
specifying, by said user, a reserve amount above said predetermined limit; and
sending said diary entry to a manager for approval in response to said user specifying said reserve amount.

55. The computer program product of Claim 51, wherein said sending said diary entry executes in response to detecting a first user creating said diary entry, and the computer program product further comprises:
said first user selecting at least one other user to which said diary

entry is sent.

56. The computer program product of Claim 34, further comprising:

associating at least one note with an insurance claim;

associating a blocked status with said insurance claim; and

generating, in response to setting said blocked status, a note to at least one user indicating why said insurance claim has a blocked status.

57. The computer program product of Claim 45, further comprising:

automatically notifying a first user when a second user attempts to perform a predetermined operation on said insurance claim having said blocked status.

58. The computer program product of Claim 34, further comprising:

performing a transaction in connection with one of an insurance claim and an unearned premium;

determining a corresponding insurance account in accordance with information about said one of said insurance claims and said unearned premium, said information including a relationship to a state and at least one line of insurance associated with said corresponding insurance account; and

adjusting an amount associated with said corresponding insurance account in accordance with said transaction.

59. The computer program product of Claim 58, further comprising:

generating a data file including information about at least one of an unearned premium and a claim, said data file being used as an input file into an accounting system.

60. The computer program product of Claim 59, further comprising:

generating general ledger entries, said general ledger entries being included in said data file.

61. The computer program product of Claim 58, further comprising:

associating information about an insurance claim with said corresponding insurance account;

entering a note associated with an insurance claims, said note

including descriptive information about said claim entered by a claim handler; and

        providing for said note to be available for reading by another user.

62.   The computer program product of Claim 58, further comprising:

        recording information about an error in a log file included in a client system.

63.   The computer program product of Claim 62, further comprising:

        auditing said transaction by recording audit information about said transaction.

64.   The computer program product of Claim 63, wherein said audit information comprises at least one of: date and time information, transaction type, data values prior to modification by said transaction, and user performing said transaction.

65.   The computer program product of Claim 34, further comprising:

        generating an incomplete status of a record including information about a claim;

        obtaining additional information about said claim;

        modifying said record to include said additional information; and

        converting said incomplete status associated with said record to a claim status.

66.   The computer program product of Claim 34, further comprising:

        assigning at least one role to a first user have a first set of security permissions and access limits; and

        determining, using said first set of security permissions and access limits, whether to allow a user to perform an operation in connection with said insurance account.

67.   A computer system for managing monies and information in connection with an insurance insolvency, the system comprising:

        a designation system in the computer system that designates a state fund for each state associated with the insurance insolvency;

a state fund association system in the computer system associates with the state fund an insurance account;

an insurance account association system in the computer system that associates with the insurance account at least one line of insurance;

an identification system that identifies in the computer system at least one of a state statute, regulation and rule relating to the at least one line of insurance associated with the insurance account; and

an insolvency processing system that performs at least one insolvency related service in connection with said insurance solvency based on the identified at least one of a state statute, regulation and rule and the at least one line of insurance associated with the insurance account.

68.   The system of Claim 67, further comprising an industry code association system that associates at least one industry standard code with the insurance account and the at least one line of insurance.

69.   The system of Claim 68, wherein the insurance account is associated with a plurality of lines of insurance.

70.   The system of Claim 69, wherein the insurance account is associated with at least two lines of insurance each being of type commercial automobile, worker's compensation, homeowner's and fire.

71.   The system of Claim 68, wherein the insurance account is associated with one line of insurance being of type commercial automobile, worker's compensation, homeowner's and fire.

72.   The system of Claim 68, further comprising:
a group association system in the computer system that associates a group with a first of the each states having a corresponding state fund; and
a member association system in the computer system that associates at least one member with the group.

73.   The system of Claim 72, further comprising:

a storage system in the computer system that stores information representing a relationship between the state fund and the associated insurance account and the at least one line of insurance.

74.   The system of Claim 73, further comprising:

a representation system in the computer system that represents a merger of at least two members by combining portions of the information stored.

75.   The system of Claim 74, further comprising:

a modification system in the computer system that modifies a relationship between the at least two members represented.

76.   The system of Claim 73, further comprising:

a representation system in the computer system that represents a split of one member into at least two entities using portions of the information stored in the computer system.

77.   The system of Claim 76, further comprising:

a modification system in the computer system that modifies a relationship represented in the computer system of the one member corresponding to the split into the at least two entities.

78.   The system of Claim 67, further comprising:

a determination system in the computer system that determines an insurance account from which a payment is made in the computer system.

79.   The system of Claim 78, wherein the payment is made in connection with at least one of: a claim and an unearned premium.

80.   The system of Claim 79, further comprising:

a tracking system in the computer system that tracks payments; and

a display system that displays an accounting of the payments with respect to a predetermined estimated amount of payments.

81.   The system of Claim 80, wherein the tracking system tracks total

payments made prior to the insolvency.

82.   The system of Claim 81, wherein the tracking system tracks monies in connection with a recovery amount.

83.   The system of Claim 82, wherein the recovery amount comprises at least one of: a salvage amount, a subrogation recovery, a second injury amount, a cost of living adjustment, and net worth.

84.   The system of Claim 67, further comprising:

a diary system in the computer system that creates a diary entry including information about one of: a claim and unearned premium; and

a communication system that sends the diary entry to at least one user.

85.   The system of Claim 84, wherein the communication system automatically sends the diary entry in response to an occurrence of a predefined event.

86.   The system of Claim 85, wherein the predefined event is one of:

deleting a pending payment, closing one of a claim and an unearned premium, upon rejection of a closing one of a claim and unearned premium, modifying a line of insurance, deleting a line of insurance, sending a note to a reviewer, adjusting a reserve, adding a new taxpayer, and modifying an existing taxpayer.

87.   The system of Claim 85, wherein the system further comprises:

an account system in the computer system that creates an account for a user specifying a predetermined limit and specifies, by the user, a reserve amount above the predetermined limit; and wherein the communication system sends the diary entry to a manager for approval in response to the user specifying the reserve amount.

88.   The system of Claim 84, wherein the communication system sends the diary entry in response to a first user creating the diary entry, and the system further comprises a user selection system in the computer system that allows the first user to select at least one other user to which the diary entry is sent.

89.   The system of Claim 67, further comprising:

an insurance claim association system in the computer system that associates at least one note with an insurance claim;

a status system in the computer system that associates a blocked status with the insurance claim; and

a communication system in the computer system that generates, in response to setting the blocked status, a note to at least one user indicating why the insurance claim has a blocked status.

90.   The system of Claim 89, wherein the communication system automatically notifies a first user when a second user attempts to perform a predetermined operation on the insurance claim having the blocked status.

91.   The system of Claim 67, further comprising:

a transaction system in the computer system that performs a transaction in connection with one of an insurance claim and an unearned premium; and

an insurance account identification system in the computer system that determines a corresponding insurance account in accordance with information about the one of the insurance claims and the unearned premium, the information including a relationship to a state and at least one line of insurance associated with the corresponding insurance account; and

an adjustment system in the computer system that adjusts an amount associated with the corresponding insurance account in accordance with the transaction.

92.   The system of Claim 91, further comprising:

a data file system in the computer system that generates a data file including information about at least one of an unearned premium and a claim, the data file being used as an input file into an accounting system.

93.   The system of Claim 92, further comprising a ledger system in the computer system that generates general ledger entries, the general ledger entries being included in the data file.

94.   The system of Claim 91, further comprising:

a corresponding insurance account association system in the computer system that associates information about an insurance claim with the corresponding insurance account;

a note system in the computer system that enters a note associated with an insurance claims, the note including descriptive information about the claim entered by a claim handler; and

providing for the note to be available for reading by another user.

95.   The system of Claim 91, further comprising:

a recordation system in the computer system that records information about an error in a log file included in a client system.

96.   The system of Claim 95, further comprising:

an audit system in the computer system that audits the transaction by recording audit information about the transaction.

97.   The system of Claim 96, wherein the audit information comprises at least one of: date and time information, transaction type, data values prior to modification by the transaction, and user performing the transaction.

98.   The system of Claim 67, further comprising:

a status system in the computer system generating in the computer system an incomplete status of a record including information about a claim, obtaining additional information about the claim;

a modification system in the computer system that modifies the record to include the additional information; and

a conversion system in the computer system that converts the incomplete status associated with the record to a claim status.

99.   The system of Claim 67, further comprising:

an assignment system in the computer system that assigns at least

one role to a first user have a first set of security permissions and access limits; and

a security determination system in the computer system that determines, using the first set of security permissions and access limits, whether to allow a user to perform an operation in connection with the insurance account.

100.   The method of Claim 1, wherein the performing at least one insolvency related service in connection with said insurance solvency further comprises:

entering one or more claims from said insurance solvency into the computer system; and

processing the entered one or more claims from said insurance insolvency based on the identified at least one of a state statute, regulation and rule and the insurance account and the at least one line of insurance associated with each of the one or more entered claims.

101.   The method of Claim 1, wherein the performing at least one insolvency related service in connection with said insurance solvency further comprises:

determining if an assessment is needed based on a size of said insurance solvency, at least an amount in the designated state fund, and the identified at least one of a state statute, regulation and rule; and

performing an assessment based on the determination of the need of the assessment.

102.   The method of Claim 1, wherein the performing at least one insolvency related service in connection with said insurance solvency further comprises issuing a refund for each policy in the at least one line of insurance based on a calculation of an unearned premium and the identified at least one of a state statute, regulation and rule.

103.   The method of Claim 1, wherein the performing at least one insolvency related service in connection with said insurance solvency further comprises processing one or more additional claims in the at least one line of insurance for a first period of time after said insurance solvency based on the identified at least one of a state statute, regulation and rule.

104.   The computer program product of Claim 34, wherein the performing at least one insolvency related service in connection with said insurance solvency further comprises:

entering one or more claims from said insurance solvency into the computer system; and

processing the entered one or more claims from said insurance insolvency based on the identified at least one of a state statute, regulation and rule and the insurance account and the at least one line of insurance associated with each of the one or more entered claims.

105.   The computer program product of Claim 34, wherein the performing at least one insolvency related service in connection with said insurance solvency further comprises:

determining if an assessment is needed based on a size of said insurance solvency, at least an amount in the designated state fund, and the identified at least one of a state statute, regulation and rule; and

performing an assessment based on the determination of the need of the assessment.

106.   The computer program product of Claim 34, wherein the performing at least one insolvency related service in connection with said insurance solvency further comprises issuing a refund for each policy in the at least one line of insurance based on a calculation of an unearned premium and the identified at least one of a state statute, regulation and rule.

107.   The computer program product of Claim 34, wherein the performing at least one insolvency related service in connection with said insurance solvency further comprises processing one or more additional claims in the at least one line of insurance for a first period of time after said insurance solvency based on the identified at least one of a state statute, regulation and rule.

108.   The system of Claim 67, wherein the insolvency processing system performs at least one insolvency related service in connection with said insurance

solvency further comprises an input processing interface that enters one or more claims from said insurance solvency into the computer system and processes the entered one or more claims from said insurance insolvency based on the identified at least one of a state statute, regulation and rule and the insurance account and the at least one line of insurance associated with each of the one or more entered claims.

109.   The system of Claim 67, wherein the insolvency processing system performs at least one insolvency related service in connection with said insurance solvency further comprises an assessment processing system that determines if an assessment is needed based on a size of said insurance solvency, at least an amount in the designated state fund, and the identified at least one of a state statute, regulation and rule and performs an assessment based on the determination of the need of the assessment.

110.   The system of Claim 67, wherein the insolvency processing system performs at least one insolvency related service in connection with said insurance solvency further comprises an unearned premium processing system that issues a refund for each policy in the at least one line of insurance based on a calculation of an unearned premium and the identified at least one of a state statute, regulation and rule.

111.   The system of Claim 67, wherein the insolvency processing system performs at least one insolvency related service in connection with said insurance solvency further comprises a claims processing system that process one or more additional claims in the at least one line of insurance for a first period of time after said insurance solvency based on the identified at least one of a state statute, regulation and rule.